

FOR All Territory Served

PSC KY NO. 9

1st Revised SHEET NO. 317 (ND)

Shelby Energy Cooperative, Inc.
(NAME OF UTILITY)

CANCELLING PSC KY NO. 9

Original SHEET NO. 317 (ND)

**Cogeneration and Small Power Production Power Purchase
Rate Schedule Over 100 kW from Non-Dispatchable Generation Sources**

Availability

Available only to qualified cogeneration or small power production facilities that are not able to be dispatched by ("EKPC") which have executed a contract with EKPC and Shelby Energy Cooperative, Inc. for the purchase of electric power by EKPC. Pursuant to FERC regulations 18 C.F.R. §§ 292.303(a), 292.309, and 292.310, EKPC is no longer obligated to purchase electric energy and/or capacity from qualifying cogeneration or small power production facilities with a net capacity of over 20 MW.

Rates

QF will be credited monthly for the electric power produced non-dispatchable generation facilities at the value of the real-time locational marginal price for energy set by PJM at the EKPC zonal node during each hour of the day. These payments will be offset by a market administration fee of \$0.00017 per kWh to cover EKPC's market participation costs.

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Terms and Conditions

1. Pursuant to FERC regulations 18 C.F.R. §§ 292.303(a), 292.309, and 292.310, EKPC is no longer obligated to purchase electric energy and/or capacity from qualifying cogeneration or small power production facilities with a net capacity of over 20 MW.
2. All power from a QF will be sold only to EKPC
3. Seller must provide good quality electric power within a reasonable range of voltage, frequency, flicker, harmonic currents, and power factor.
4. QF shall provide reasonable protection for EKPC and Shelby Energy Cooperative, Inc.
5. QF shall design, construct, install, own, operate, and maintain the QF in accordance with all applicable codes, laws, regulations, and general accepted utility practices.
6. QF shall reimburse EKPC and its member cooperative for all costs incurred as a result of interconnecting with the QF, including operation, maintenance, administration, and billing.

DATE OF ISSUE April 26, 2018
MONTH / DATE / YEAR

DATE EFFECTIVE June 1, 2018
MONTH / DATE / YEAR

ISSUED BY *Debra J. Martin*
SIGNATURE OF OFFICER

TITLE President & CEO

KENTUCKY PUBLIC SERVICE COMMISSION
<u>Gwen R. Pinson</u> Executive Director
<i>Gwen R. Pinson</i>
EFFECTIVE 6/1/2018 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

FOR All Territory Served

PSC KY NO. 9

1st Revised SHEET NO. 317.1 (ND)

CANCELLING PSC KY NO. 9

Original SHEET NO. 317.1 (ND)

Shelby Energy Cooperative, Inc.
(NAME OF UTILITY)

Over 100 kW from Non-Dispatchable Generation Sources (continued)

- 7. QF shall obtain insurance in the following minimum amounts for each occurrence:
 - a. Public Liability for Bodily Injury - \$1,000,000.00.
 - b. Property Damage - \$500,000.00
- 8. Initial contract term shall be for a minimum of five years.
- 9. QFs proposing to supply as available (non-firm) electric power shall not be entitled to a capacity payment.
- 10. Qualifying cogeneration and small power production facilities must meet the definition set forth in 807 KAR 5:054 to be eligible for this tariff.
- 11. In negotiating a final purchase rate, consideration shall be given to the factors affecting purchase rates as set forth in 807 KAR 5:054, Section 7(5)(a).
- 12. Updated market administration fees will be filed with the Public Service Commission of Kentucky by March 31 of each year.

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